

**Refugee Review Tribunal
AUSTRALIA**

RRT RESEARCH RESPONSE

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Questions

1. Does the Chinese government pay pig farmers a subsidy per sow?
2. If so, how much is the subsidy and when is it paid?
3. Did the subsidy increase in October 2008? Which government agency pays the subsidy?
4. When did the government start to pay the subsidy?
5. Is there any record of a protest in Longtian on 31 October 2008?
6. How many litters does a sow have each year and at what time of the year does she have litters? What is the average size of a litter?

RESPONSE

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Sources report that the Chinese Government has formulated a number of measures to control rising pork prices in China including a subsidy of 50 yuan per prolific sow and 48 yuan towards a 60 yuan insurance policy for prolific sows to protect them against disease and natural disasters. One source reports that the measures were expected to start at the end of June 2007, while others report that the insurance scheme started in August 2007. No information was found amongst the sources consulted on when the subsidies are paid to pig breeders. The measures will be financed by the central and local governments, however no report of which agency pays the subsidy was found amongst the sources consulted. Sources report that the subsidy was doubled to 100 yuan per sow from July 2008 for a year.

An article dated 4 September 2007 by the National Development and Reform Commission of China reports on the 10 measures formulated by the Chinese government to deal with the problem of rising pork prices. The first measure is to “encourage sow breeding” which the government proposes to do by establishing a subsidy of 50 yuan per sow and subsidising 80% of insurance premiums:

The Central committee of the Communist Party of China (CPC) and the State Council attach great importance to the problem of pork price rise. General Secretary Hu Jintao and Premier Wen Jiabao as well as other state leaders made several important instructions on this issue. Premier Wen took inspection visit on pig production, supply and market price in Shaanxi Province and Beijing on May 26 and August 2 respectively. On May 29, the General Office of the State Council issued the “Notice on doing well the work of pork and other non-staple food production and supply and maintaining the market stability”. On July 30, the State Council issued “Proposals on promoting the development of pig production and stabilizing the market supply”. On July 31, the State Council held a national video and telephone meeting on work of “food baskets” and made specific instructions. On August 13, the State Council issued the “Urgent notice on substantively implementing policies to guarantee market supply and maintain stable price of non-staple food”, in order to promote and urge the implementation of relative policies.

These documents, in short, constitute 10 measures. First, encourage sow breeding. Stabilizing the sow inventory is the fundamental way in protecting the pig productivity and easing its cyclical fluctuation. The State Council has decided to establish the subsidy and policy insurance system for prolific sows. For hoggeries raising prolific sows, each sow will be subsidized 50 RMB yuan. The state also subsidized 80 percent of the insurance premium for prolific sows, so as to encourage farmers to insure against epidemic diseases of pigs (National Development and Reform Commission 2007, ‘Current Price Situation of Non-staple Food’, China Internet Information Center website, 4 September <http://www.china.org.cn/e-news/news070904.htm> – Accessed 17 June 2009 – Attachment 1).

An article dated 23 June 2007 in *China Daily* reports that the Chinese government plans to spend 6.5 million yuan this year, including 3.8 billion yuan from the central government “to protect the industry from collapsing in the event of disease outbreaks, and to stabilize rising pork prices.” The subsidy and insurance are expected to start at the end of June 2007:

The ministry has supported breeders through a range of policies, including direct subsidies, insuring fertile sows and vaccinating animals against major epidemic diseases, he said [Zeng Xiao’am, Ministry of Finance].

...The State will also give farmers 50 yuan (US\$6.60) a year for each sow they raise that has been insured. In the middle and western regions the subsidy will be shared among the central government at 60 percent and the local governments at 40 percent while in eastern regions, local government will pay the subsidy (‘Subsidy Plan to Combat Increasing Pork Prices’ 2007, *China Daily*, 23 June, China Internet Information Center website <http://www.china.org.cn/english/BAT/214917.htm> – Accessed 17 June 2009 – Attachment 2).

An article dated 25 December 2007 by *Xinhua News Agency* reports that the Chinese “government has promised to double the subsidy for every fertile sow to 100 yuan from July 2008 for a whole year.” An article dated 15 August 2008 by *Interfax-China* reports that “between July this year and June 2009, the government is offering farmers a subsidy of RMB 100 (\$14.60) per breeding sow” (‘15.2 bln yuan for pig breeders to boost supply’ 2007, *Xinhua News Agency*, 25 December <http://www.china.org.cn/english/government/236908.htm> – Accessed 17 June 2009 –

Attachment 3; and ‘Chinese government to help farmers fill piggy banks’ 2008, *Interfax-China*, 15 August – Attachment 4).

An article dated 3 August 2007 by *Xinhua* reports that five domestic insurers, People’s Insurance Company of China, China United Property Insurance Company, Shanghai Anxin Insurance Company, Anhua Agricultural Insurance Company and Sunlight Mutual Insurance Company have been authorised “to undertake pilot sow coverage for pig breeders to rein rising pork prices.” The service is to be available no later than 15 August 2007. Dong Bo, Deputy Director of the Property Insurance Regulatory Department of the China Insurance Regulatory Commission (CIRC) “said the insurance should cover losses from blue-ear disease and natural disasters such as floods, fires, typhoons and other epidemics.” The article reports that “CIRC has priced the premium at 60 yuan per sow, promising a subsidy of 30 yuan from the central government and 18 yuan from local government” with pig breeders needing to pay the remaining 12 yuan (‘China to kick off sow insurance to ease pork supply’ 2007, *Xinhua*, 3 August http://news.xinhuanet.com/english/2007-08/03/content_6470395.htm – Accessed 17 June 2009 – Attachment 5).

An article dated 25 December 2007 by *Xinhua News Agency* reports that the “sow insurance, which was launched in August to cover losses from disease and disaster, would be extended to “as many sows as possible,” according to a State Council executive meeting held by Wen Jiabao earlier this month. By November, China had insured 21.2 million sows, or 44.5 percent of the herd nationwide, according to the China Insurance Regulatory Commission” (‘15.2 bln yuan for pig breeders to boost supply’ 2007, *Xinhua News Agency*, 25 December <http://www.china.org.cn/english/government/236908.htm> – Accessed 17 June 2009 – Attachment 3).

5. Is there any record of a protest in Longtian on 31 October 2008?

No information on a protest in Longtian on 31 October 2008 was found amongst the English language sources consulted.

China Labour Bulletin reports that in “January 2009, the Hong Kong political magazine 争鸣 (*Cheng Ming*) quoted senior Party sources as saying the number of mass incidents in 2008 had shot up to 127,467” (China Labour Bulletin 2009, *Protecting Workers’ Rights or Serving the Party: The way forward for China’s trade unions*, March, p.6 http://www.china-labour.org.hk/en/files/share/File/research_reports/acftu_report.pdf – Accessed 3 June 2009 – Attachment 6).

For further information on the number of mass incidents, protests and demonstrations in China please refer to previous *Research Response CHN34939* dated 2 June 2009.

6. How many litters does a sow have each year and at what time of the year does she have litters? What is the average size of a litter?

The number of litters per sow per year and the average size of the litter depend upon the breed of pig.

An article dated 26 December 2006 by Dr Dai-Wen Chen, Professor of Swine Nutrition at the Sichuan Agricultural University provides information on swine production in China.

According to Chen, “There are totally 126 pig breeds in China”. Chen provides the following information on swine breeds in China:

There are many swine breeds in China. Farmers usually utilize local breeds or two-way crossbreeds of local with foreign breeds. Specialized pig producers feed two-way or three-way crossbreeds. Large-sized pig farms use three-way crossbreeds or specified commercial lines.

There are many local swine breeds in China, which are classified geographically into Northern Type, Central Type, Coastal Type, Southern Type, Southwest Type and Plateau Type. The native Chinese breeds have some excellent characteristics. The first outstanding characteristic is the high reproductivity. For instance, Meishan sows could deliver 13 piglets for the first birth and around 16 pigs from second birth. For this reason, Meishan sows are used worldwide. The second feature is high meat quality. Chinese local pigs are characterized as tenderness, juiciness, slender muscle fiber, marbling, and fragrance for the meat. PSE [Pale Soft Exudative Pork] occurs rarely. The third advantage is the high resistance to adverse circumstance. After long time of natural and artificial selection, Chinese local pigs have higher ability to resist cold or hot environment, to tolerate poor nutrition, and to digest feeds of high fiber content. But Chinese local pigs have significant disadvantages such as low growth rate, poor feed utilization, low lean percentage.

Foreign or import breeds include Landrace, Yorkshire (Large White), Duroc.

They are mainly used to crossbreed with local pigs to improve growing-finishing performance. Many new varieties or specified lines are successfully selected such as Shanghai White, Harbin White, Sanjiang White, Hubei White, Zhejiang White and Beijing Black. They are characterized of faster growth, better feed conversion and higher lean percentage compared to pure local breeds.

However, China is now extending hybrid of foreign breeds. Especially for large farms, DLY is the first preference for meat production. Under current feeds and feeding systems, DLY pigs are able to reach 100kg liveweight at about 165 days of age with 2.8 kg feed consumed per kg bodyweight gain and 62% lean in carcass.

Central and provincial levels of Pig Performance Test Station systems have been established to test and improve pig performance.

At present, 70-80% of the total national pork production is from two-way hybrid between local and import breed, and about 20% from DLY (Dai-Wen, Chen 2006, ‘Swine Production in China’, Engormix website, 26 December http://en.engormix.com/MA-pig-industry/articles/swine-production-china_288.htm – Accessed 22 June 2009 – Attachment 7).

Chapter 15 of the 1996 book entitled *Pig Production* provides extensive information on pig production in China. Section 5 provides information on pig breeds in China. The information has been divided into indigenous breeds, home developed breeds and exotic breeds and information on litter size, reproductive age, reproductive size etc is included. For more information please refer directly to the source which has been included as Attachment 8 (Runsheng, Chen 1996, ‘Chapter 15 – Pig Production in China’, *Pig Production*, Elsevier, Amsterdam, pp.327-346 – Attachment 8).

For additional information on specific breeds of pigs, please refer to the Breeds of Livestock resource presented by the Department of Animal Science at Oklahoma State University | <http://www.ansi.okstate.edu/breeds/swine/>.

The Cornell University’s Small Farms Program produced a fact-sheet dated 10 July 2005 entitled ‘Raising Pastured Pigs’. The fact-sheet reports that the gestation length of a sow is 114 days and that the breeding season is year round. The fact-sheet provides the following reproductive statistics for female swine:

Age of Puberty	4 to 7 months
Breeding Weight	150 to 175 pounds
Estrous Cycle	
Interval	Avg. 21 days
Duration	2 to 3 days
Signs	Standing when hand pressure placed on back
Ovulation	12 to 36 hrs from onset of standing heat
Gestation length	114 days
Breeding season	Year round

(Wright, Martha A. 2005, ‘Raising Pastured Pigs’, Cornell University Small Farms Program, 10 July, Ontario County’s Agriculture website <http://fingerlakesagriculture.com/involved/pdf/Raising%20Pastured%20Pigs.pdf> – Accessed 22 June 2009 – Attachment 8).

A 2005 paper by Close, Turnley and Mullan on the Premier Pig Program provides information on sow productivity in a number of different Australasian countries including China. The Premier Pig Program was developed by Close and Turnley in 2004 “to provide user-friendly technical information and support to all sectors of the pig industry.” Table 1 provides key aspects of sow productivity from thousands of sows in each country. The relevant extracts for China follow:

Country	China
Litters/Sow/Year	1.9-2.4
Piglets Born/Litter (Total)	10-13
Piglets Born Alive	8-12

(Close, W.H., Turnley, K. & Mullan, B.P. 2005, ‘Achieving production and economic targets on farm: The Premier Pig Program’, *Manipulating Pig Production X*, Australasian Pig Science Association, p.166 <http://www.apsa.asn.au/publications/papers/Manipulating%20Pig%20Production%20X%20page%20166.pdf> – Accessed 22 June 2009 – Attachment 9).

According to Close, Turnley and Mullan, “Usually, a seven day period is allowed for the sow to return to oestrus and be mated; anything longer than this will unduly increase parity length and hence reduce litters per sow per year.” In China 75-90% of sows were mated within seven days. The number of litters per year and the time between litters when taken with the gestation length provided above also suggests that sows can breed all year round in China (Close, W.H., Turnley, K. & Mullan, B.P. 2005, ‘Achieving production and economic targets on farm: The Premier Pig Program’, *Manipulating Pig Production X*, Australasian Pig Science Association, p.166 <http://www.apsa.asn.au/publications/papers/Manipulating%20Pig%20Production%20X%20page%20166.pdf> – Accessed 22 June 2009 – Attachment 9).

List of Sources Consulted

Internet Sources:

Australasian Pig Science Association <http://www.apsa.asn.au/>

China Internet Information Center <http://www.china.org.cn/>

China Labour Bulletin <http://www.china-labour.org.hk/>

Engormix website <http://en.engormix.com/>

Google <http://www.google.com.au/>

Google Books <http://books.google.com/>

Xinhua, <http://news.xinhuanet.com/>

Databases:

FACTIVA (news database)

BACIS (DIAC Country Information database)

REFINFO (IRBDC (Canada) Country Information database)

ISYS (RRT Research & Information database, including Amnesty International, Human Rights Watch, US Department of State Reports)

List of Attachments

1. National Development and Reform Commission 2007, 'Current Price Situation of Non-staple Food', China Internet Information Center website, 4 September <http://www.china.org.cn/e-news/news070904.htm> – Accessed 17 June 2009.
2. 'Subsidy Plan to Combat Increasing Pork Prices' 2007, *China Daily*, 23 June, China Internet Information Center website <http://www.china.org.cn/english/BAT/214917.htm> – Accessed 17 June 2009.
3. '15.2 bln yuan for pig breeders to boost supply' 2007, *Xinhua News Agency*, 25 December <http://www.china.org.cn/english/government/236908.htm> – Accessed 17 June 2009.
4. 'Chinese government to help farmers fill piggy banks' 2008, *Interfax-China*, 15 August.
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7. Dai-Wen, Chen 2006, 'Swine Production in China', Engormix website, 26 December http://en.engormix.com/MA-pig-industry/articles/swine-production-china_288.htm – Accessed 22 June 2009.
8. Runsheng, Chen 1996, 'Chapter 15 – Pig Production in China', *Pig Production*, Elsevier, Amsterdam, pp.327-346.
9. Wright, Martha A. 2005, 'Raising Pastured Pigs', Cornwell University Small Farms Program, 10 July, Ontario County's Agriculture website

<http://fingerlakesagriculture.com/involved/pdf/Raising%20Pastured%20Pigs.pdf> – Accessed 22 June 2009.

10. Close, W.H., Turnley, K. & Mullan, B.P. 2005, 'Achieving production and economic targets on farm: The Premier Pig Program', *Manipulating Pig Production X*, Australasian Pig Science Association, p.166
<http://www.apsa.asn.au/publications/papers/Manipulating%20Pig%20Production%20X%20page%20166.pdf> – Accessed 22 June 2009.